

8 November 1976

DIA Manpower Audit

1. History

STATINTL -- 23 July [redacted] letter to D/DCI/IC). Deputy Secretary Ellsworth suggested an IC Staff manpower audit of Intelligence Community. [redacted] noted the interest of [redacted] in the project and offered the services of professional auditors from DOD to assist. 25X1

STATINTL -- 23 August (memo from LCDR Juengling to D/OPEI). Noted that [redacted] informally agreed to conduct an audit of DIA and perhaps other members of the Community.

25X1 -- 27 August (D/DCI/IC memo to [redacted]). Agreed with Mr. STATINTL Ellsworth that a Community-wide manpower audit, under general direction of IC Staff, has considerable merit. Stated that we should start with an examination of the manpower needs and problems of DIA in light of its missions.

25X1 -- 17 September. D/OPEI and C/PAID meeting with General [redacted] and Admiral Inman to discuss objectives and procedures of IC Staff audit of DIA.

 -- 7 October. DIA internal audit completed.

 -- 1 November. DIA audit report made available to IC Staff.

2. Objectives for the DIA Manpower Audit

A. IC Staff Objectives

 -- Perform a mission analysis of DIA, to determine:

- o How DIA manpower is actually allocated to various missions
- o Whether there are areas of duplication with other intelligence organizations which should be eliminated
- o Whether there are areas in which DIA efforts should be increased

 -- Use the DIA manpower audit as a pilot project for examining how other Community elements use their manpower and for developing a Community-wide manpower data base.

DIA review(s)
completed.

B. DIA Objectives

- Assist DIA management in determining if their manpower resources are allocated in the right proportions to various tasks.
- Provide an independent validation or critique of DIA's internal audit, to assist [redacted] in dealing with Congressional pressures to reduce DIA manpower.

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3. Current Status

- IC Staff has reviewed the DIA audit report.
- IC Staff is talking to professional auditors, to understand the techniques and procedures involved.
- IC Staff is developing draft terms of reference for negotiation with DIA.
- DIA management reviewing recommendations of internal audit report (some reshuffling of personnel; a net reduction of about 29 billets).

4. General Procedures to be Followed

- Collect additional documentation on DIA use of its manpower (DIA audit report does not contain all the required data).
- Prepare a statement of what missions are actually carried out by DIA and how manpower is applied to those missions.
- Analyze about half-a-dozen mission areas, with a view toward raising issues about increases or decreases in certain DIA activities. Such issues would be resolved by DOD or the CFI, depending on whether they are primarily DOD issues or Community issues. Candidate mission areas include:
 - Defense attache system
 - DIA's role in the intelligence requirements process
 - Warning and crisis support
 - Current intelligence
 - Estimates and net assessments
 - Science and technology
 - Defense economics

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5. Potential Problems

- Late start, due to late receipt of DIA audit report (General [redacted] would like an IC Staff report by end January 1977).
- Shortage of qualified workers (DOD audit people will take on specific tasks for us, but do not want to work as part of an IC Staff task force on this project. Contractor support probably not too useful for the mission analysis).
- Differing IC Staff and DIA objectives.
- IC Staff access to DOD manpower data.

We are meeting with Admiral Inman on November 10 to try and resolve some of these matters before they become real problems.